

would provide the SEC with the authority to impose civil money penalties in cease and desist proceedings before an SEC administrative law judge, against anyone alleged to have violated the act.

It also sets out a method by which a respondent subject to the penalty provisions may offer evidence on his or her ability to pay such fines and the impact of such fines on his or her ability to continue in business. The proposed provision contains tiers for the penalties as follows:

First Tier: Establishes a maximum penalty of \$6,500 for each violative act or omission committed by any natural period, and a \$65,000 cap for each violative act or omission committed by any other person, that constitutes a violation of the Securities Act or any regulation.

Second Tier: increases the maximum penalties to \$65,000 for natural persons and \$325,000 for all other persons for each act or omission that involves fraud, deceit, manipulation, or deliberate or reckless disregard of a regulatory requirement.

Third Tier: Sets a maximum penalty of \$130,000 for a natural person or \$650,000 for all other persons if the act or omission involves fraud, deceit, manipulation, or deliberate or reckless disregard of a regulatory requirement and such act or omission directly or indirectly resulted in substantial losses or created a significant risk of substantial losses to other persons.

With the many issues that come under the Securities Act—amendments to the sections dealing with fraud and reckless disregard of other people's money is a serious but necessary step in the right direction. This act would authorize the SEC to impose civil penalties in cease and desist proceedings against any defendant before administrative law judges.

The expansion of the SEC's civil money penalty authority in administrative proceedings to include all potential defendants, not just securities industry firms and professionals, will likely be the most controversial aspect of the bill. Since the Federal Rules of Evidence do not apply in administrative proceedings, the SEC may use evidence that would not be admissible in Federal district court.

SEC authority over formerly associated persons

H.R. 6513 empowers the SEC to remove from office or censure any person who is, or at time of the alleged misconduct was, a member of the Municipal Securities Rule-making Board.

It would also provide the SEC and other regulatory agencies the authority to institute disciplinary proceedings against persons associated with or seeking to become associated, or who at the time of the alleged misconduct were associated or seeking to become associated with, registered or unregistered government securities brokers and dealers.

H.R. 6513 would also provide the SEC with the authority to conduct investigations into alleged violations committed by individuals who were formerly associated with members of national securities exchanges and national securities associations, as well as former participants of registered clearing agencies.

It would expand the disciplinary authority of the regulatory agencies of the self-regulatory organizations by providing the regulatory agencies with the authority to remove from of-

fice or censure persons who, at the time of the alleged misconduct, either are or were officers of self-regulatory organizations.

Scope of exemption from State securities registration

This section allows the NYSE, AMEX, or Nasdaq to establish tiers on which stocks can be listed and traded, even if those stocks would not otherwise qualify as covered securities exempt from state registration requirements.

Collateral bars

The act would amend provisions of the Exchange Act and Advisers Act to prevent associated persons who violate the Federal securities laws in one capacity (e.g., as an associated person of a broker or dealer) from being associated with other securities businesses in a different capacity (e.g., as an associated person of an investment adviser).

Currently, the law does not permit the SEC to bar someone whose misconduct occurred while associated with a broker-dealer from associating with an investment adviser (or vice-versa), although the SEC often seeks such a collateral bar in settlements.

Exempt offerings

This amendment would clarify that States can require that notice filings for exempt securities contain all of the information required by Form D including the appendix to Form D.

Unlawful margin lending

This section of the act would add clarification to the current problematic reading of the section.

SIPA

This section amends certain provisions of the Securities Investor Protection Act of 1970 ("SIPA") to add securities futures and options on securities futures to the list of covered claims a customer can make against a broker-dealer that the Securities Investor Protection Corporation ("SIPC") will cover. These amendments are a positive step toward removing regulatory road blocks to effective portfolio margining that can fully realize the benefits of hedging securities positions with futures positions.

Application of Advisers Act to State-registered advisers

This amendment will clarify that certain hedge fund and private equity advisers, who may be subject to State (but not SEC) registration, may charge performance fees that would not be permitted for most SEC registrants.

Sharing privileged information with other authorities

The act would add a new subsection to Section 24 of the Exchange Act. The new subsection would provide that the SEC shall not be deemed to have waived any privilege by sharing information with another agency of the U.S. Government, any foreign securities authority, any foreign law enforcement authority, or any State securities or law enforcement authority.

Nationwide service of subpoenas

Under the act, when the SEC institutes a proceeding in U.S. district court in any district, subpoenas issued by the court to compel attendance of witnesses or production of documents may be served in any other district. Such subpoenas could be served and en-

forced without application to the court or a showing of cause, notwithstanding applicable provisions of the Federal Rules of Civil Procedure.

#### CONCLUSION

We are facing rising food, gas, and energy costs. Our housing markets are still reeling and we are at high levels of unemployment. We must ensure that the Securities markets are secure and able to withstand our current economic climate. Mr. Speaker, I urge my colleagues to support this important legislation.

HONORING JACK HUNTER O'DELL

**HON. BARBARA LEE**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 10, 2008*

Ms. LEE. Madam Speaker, I rise today to acknowledge the life and contributions to the United States of Jack Hunter O'Dell, and to acknowledge his 85th birthday, August 11, 2008. Jack Hunter O'Dell was born August 11, 1923 in Detroit, MI. Like other Americans who worked hard during the Great Depression, Jack devoted much time and energy to selling newspapers as a youngster and playing a strong role in his extended family. At an early age Jack developed an intense curiosity toward the world and a love of reading.

At the onset of World War II Jack joined the Merchant Marine, one of the most risky and important forces in the U.S. war effort. The Merchant Marine hauled supplies for U.S. troops in unarmed ships, often being attacked by Nazi submarines. Jack joined the National Maritime Union and advocated for the rights of workers on the ships and docks. During this time Jack developed an understanding of the struggles of peoples of other nations, an understanding that helped form his consciousness and dedication to creating peace and strengthening democracy.

After the war, Jack organized tenants in the Southern States and later in New York City. He worked with Dr. Martin L. King, Jr. as an organizer in New York and throughout the South as the Director of Voter Education for the Southern Christian Leadership Conference. He wrote and became an editor for the dynamic and unifying magazine, *Freedom Ways*. He taught at Antioch College and has lectured and taught throughout the United States. He is truly the common person's intellectual, holding forth the proposition that intellectual activity, creativity and wisdom stem from all the people.

Jack has consulted on two U.S. presidential campaigns. He has served Operation PUSH and the National Rainbow Coalition as the Director of International Affairs. In that capacity he assisted in developing ties of understanding, friendship and solidarity with many peoples around the world. His international work helped free political prisoners, it helped bring unification to warring factions in various nations and helped leaders from all walks of life in the United States understand the world and America's role in providing, by example, a true commitment to fair play and magnanimity.

Mr. O'Dell has been a bold yet humble servant to the interests of the American people. He recognized the necessity for working people to have access to reliable and first-rate media. He became Board Chair of one of the most popular, independent radio networks and news services. His commitment to peace and

a more safe and secure world expressed itself in years of service to peace efforts, including serving on the board of SANE FREEZE.

Jack has traveled around the globe representing the best in what it means to be an American citizen. He has represented the United States as a worker, as a representative of organizations advocating equality and justice, and as a brother to all in struggle. His experiences, intense study, love of country and his warmth and humor have provided tens of thousands with a deeper sense of joy and optimism for the future of humanity. Jack understands a better world is possible. His life, his writings and his example provide a bright light to all of us attempting to bring a better world into being.

Thank you, Jack Hunter O'Dell, for your selfless service to our Nation. It is an honor to know you and to have benefited by your talents and dedication. Best of luck to you as you continue your noble work helping to inspire all Americans to take the high road toward peace, community, and a stronger democracy.

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SALUTING BORINQUEN PLAZA  
SENIOR CENTER AS IT CELEBRATES  
31 YEARS OF SERVICE

**HON. NYDIA M. VELÁZQUEZ**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 10, 2008*

Ms. VELÁZQUEZ. Madam Speaker, I would like to take this moment to offer my congratulations to the Borinquen Plaza Senior Center on its 31st anniversary. New York's 12th Congressional District is enriched by this institution serving our seniors during their golden years.

Located within the Borinquen Plaza Public Houses in Williamsburg, Brooklyn, this senior center was founded on July 22, 1977, by Los Pioneros Puertorriqueños, an organization focused on social and economic justice. Since its inception, the center has served as a safe haven from everyday struggles for countless senior citizens. Thanks to the leadership of its sponsor, board members, executive director, and staff, senior residents of Borinquen Plaza Public Houses and the surrounding community benefit from a facility dedicated to meeting their needs. The center works to promote nutritional, emotional, and physical wellness. On a daily basis, more than 230 congregate meals are provided, as well as approximately 200 meals-on-wheels to homebound seniors. Further enhancing residents' lives, daily recreational activities are planned, special events and holiday festivities. It is through these programs and the unwavering commitment of the Borinquen Plaza Senior Center that our elderly neighbors have experienced meaningful benefits.

In closing, I ask my colleagues to join me in congratulating the Borinquen Plaza Senior Center for its dedication to the seniors of Williamsburg, Brooklyn. The residents of our community and I look forward to many years of continued service.

HONORING LOUISE BRADY

**HON. DONNA M. CHRISTENSEN**

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 10, 2008*

Mrs. CHRISTENSEN. Madam Speaker and colleagues, I rise today to honor the legacy of an outstanding educator, Mrs. Louise Brady. I am proud to join the entire Virgin Islands community in extending best wishes to Mrs. Brady, as she retires after 56 years of exemplary service to Virgin Islands children and families, as a teacher and principal at the All Saints Cathedral School. In that capacity, she demonstrated the highest degree of integrity and humanity. Mrs. Brady has inspired and instilled in our young people fairness, honesty, respect, tenacity, and a firm commitment to achieving one's aspirations.

Mrs. Brady migrated to St. Thomas in 1952 and started work as a teacher at All Saints Cathedral School. In 1975, the Cathedral Church of All Saints, through its rector, The Very Rev. Thomas W. Gibbs III and vestry member Mrs. Reubina Gomez, invited her to accept the post of principal of the school.

As principal, Mrs. Brady worked feverishly to shape the school into the Virgin Island's premier institution of education for students from pre-school through grade 12. Over the years, the school has produced persons who have gone on to serve the Virgin Islands, the United States, and other parts of the world in various capacities. Mrs. Brady is not just an icon of All Saints, but of the community of the Virgin Islands as a whole.

During her years at the Cathedral School, she married, and with her husband, raised four children; all of whom are accomplished in their sphere of work. Her children, Alonzo, Stephen, Beverly, and Deborah, were educated at All Saints Cathedral School.

Mrs. Brady has also been a faithful Anglican/Episcopalian, who has a strong belief in prayer which she also instilled in the students. Every activity at All Saints, to this day, begins with prayer.

With her love and eagerness to see all students achieve their full potential, Mrs. Brady ensured that the students participate in both academic and extra curricula activities. The numerous trophies, plaques, and commendations that are prominently displayed on the office walls are a testimony to the numerous successful competitions in which the school participated. Activities such as the Christmas concert, Black history fair, music and art festival, science and social studies exhibition, maypole are some of the initiatives that the school has introduced to enrich the lives of the students and make them well-rounded individuals.

Mrs. Brady has always embraced, encouraged, and welcomed children of all nationalities, creeds, and races; therefore, making all Saints a true rainbow of an integrated society.

Mrs. Louise Brady has directly or indirectly impacted the lives of just about every family in the British and U.S. Virgin Islands, mine included as my brother Adam and sister Rebecca were among those who benefited from her tutelage.

Madam Speaker, I am proud to pay tribute to this phenomenal woman. The Virgin Islands are truly blessed to count her among our most treasured jewels.

REMEMBERING 1ST LT. CARWILE

**HON. TRAVIS W. CHILDERS**

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 10, 2008*

Mr. CHILDERS. Madam Speaker, I stand now to remember 1st LT. Lieutenant Donald C. Carwile. First Lieutenant Carwile served as a platoon leader in the United States Army and was actively serving in Operation Enduring Freedom in Afghanistan. Throughout Carwile's service to his country he received many awards including: The Bronze Star, the Purple Heart, the Army Commendation Medal, two Army Achievement Medals, the Army Good Conduct Medal, the Global War on Terrorism Service Medal, and other Service Ribbons. First Lieutenant Carwile was Airborne and Air Assault qualified, and was also awarded the Combat Infantryman Badge.

First Lieutenant Carwile fell in battle on August 15, 2008 during an ambush that involved enemy combatants, and an improvised explosive device. Carwile was a servant of the people. When he wasn't protecting our freedoms abroad, he was protecting them in Mississippi, where he served both the Batesville and Oxford Police Departments. First Lieutenant Carwile is survived by his wife, Jennifer Gail Carwile, and two daughters, Elizabeth Reese Carwile and Avery Claire Carwile all of Ft. Campbell, Kentucky.

Please join me today in saluting one of America's heroes for his life of service and sacrifice.

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JOEY HAGERTY

**HON. TOM UDALL**

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 10, 2008*

Mr. UDALL of New Mexico. Madam Speaker, for Joey Hagerty, one of my constituents from the City of Rio Rancho, this year has been the best of times, and it has been the worst of times.

In March, Joey's dad was in a terrible car accident.

Like any other son in a similar situation, Joey found himself traveling back and forth between his work and his family's home, where his father was slowly recuperating. Unlike most of America's sons, however, Joey's work was at the U.S. Olympic Training Center. While his father was healing, Joey was training to be an Olympian.

Joey kept up his training even as he helped comfort his father. In June, Mike Hagerty got to watch his son qualify for the Beijing Olympics. Last month, he saw something he never thought he would see. Mike watched his son help propel the U.S. Olympic gymnastics team to a bronze medal.

Joey showed a commitment—to family and to excellence—that should inspire all of us. He represents the true spirit of the Olympics.

I rise today to honor Joey Hagerty, the first Olympian from Rio Rancho, a talented athlete and a devoted son.